

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Horticulture Department-Procurement of Oil Palm Fresh Fruit Bunches (FFB) under Market Intervention Scheme (MIS) for the Crop season 2012-13- Orders Issued.

AGRICULTURE AND COOPERATION (HORTI) DEPARTMENT

G.O.Rt.No. 492

Date: 14th March, 2013.
Read the following:-

1. From the Chairman & Managing Director, AP OILFED, Hyderabad
Dated: 07.11.2012.
2. From the Commissioner of Horticulture, Hyderabad Lr.No.OP/365/2008 Dated:12.11.2012.
3. Government D.O. Letter No.13332/HORTI/A2/2012 Dated:21.11.2012. addressed to Government of India.
4. From the Director (Cooperation), Government of India, Ministry of Agriculture, Department of Agriculture & Cooperation Letter No. L-15016/38/2012-MPS Dated:08.01.2013.
5. From the Commissioner of Horticulture, Hyderabad Lr.No.OP/365/2008 Dated:16.01.2012.

ORDER

Government of Andhra Pradesh have forwarded the proposals to Government of India for approval of Market Intervention Scheme (MIS) for procurement of Oil Palm Fresh Fruit Bunches (FFB) for the Crop Season 2012-13 for safeguarding the Oil Palm Farming Community in the state from the steep fall of Crude Palm Oil Prices (CPO) vide reference 3rd read above.

2. Government of India has approved for the procurement of Oil Palm FFB under Market Intervention Scheme (MIS) in Andhra Pradesh for the Crop season 2012-13 as per the following details:

1. MIS will remain in force from 01.01.2013 to 31.03.2013.
2. A maximum quantity of oil palm FFB up to 90,000 MTs may be procured, under the scheme by the State Agency i.e., AP OILFED.
3. The Market Intervention Price (MIP) will be Rs.5720/-per MT for FAQ of Oil Palm FFB, with the overhead expenses of Rs.100/-per MT or actual whichever is less. The overhead expenses include purchase tax, mandi tax, godown charges, packing material, loading/unloading, commission, transportation, grading & Packaging/stitching charges etc.,
4. The losses, if any, will be shared on 50:50 basis between the Central Government and Government of Andhra Pradesh. However, the loss is restricted upto the 25% of the procurement cost.
5. The Procured quantity of Oil Palm FFB will be disposed of by the procuring agency at the maximum realizable rates to reduce the losses on Government Account.
6. Purchase centers/areas will be decided by the State Government in consultation with State Agency.
7. The stocks will be purchased from the Cooperative Societies, farmers organizations or directly from the farmers to eliminate the possibility of middlemen taking advantage of the scheme. Further, a mechanism should be developed to ensure that the produce is purchased from genuine farmers only. All the relevant documents/records should be properly maintained by the procuring agency.
8. Since the Oil Palm FFBs are highly perishable in nature and need immediate processing within 24 hrs. after harvest, the designated procurement agency shall dispose of the procured FFB stocks immediately by selling the stocks at collection centers to the oil palm processing units of the respective factory zone.

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9. The State Procuring agency will furnish the audited accounts to the GOI through State Government within the period of three months of the completion of the MIS operation.
 10. The State Government/State designated agency may furnish weekly reports indicating purchases made under the scheme and the ruling market prices to GOI regularly.
 11. The State Government and State Agency will be responsible to arrange the Working capital for procurement of the requisite quantity of the commodity under the scheme.
 12. State Government is also advised to furnish such proposal, if required at least 15 days before the proposed date of implementation or well before the peak harvest season, in future.
- 3.** In pursuance to the approval conveyed by the Government of India, New Delhi, after careful examination, Government hereby nominate AP OILFED, Hyderabad as Nodal Agency of State Government to start procurement of Oil Palm Fresh Fruit Bunches (FFB) up to 90,000 MTs whenever the prices of Oil Palm FFB are falls below Rs.5720/- under Market Intervention Scheme (MIS) for the Crop Season 2012-13 duly following Market Intervention Scheme (MIS) Disbursement Guide lines.

- The MIS being paid is applicable and sanction to the Oil Palm Farmers supplied FFB during 01.01.2013 to 31.03.2013.
- The AP OILFED has been appointed as the state nodal agency for implementation of the MIS in the state under the administrative control of the Department of Horticulture.
- The procured agencies (oil Palm companies) should act and report as per the guidelines of Department of Horticulture and AP OILFED in implementing MIS.
- The MIS should not be exceeded to the quantity of FFB procured and audited account figures furnished to the Government for the period of MIS sanctioned.
- The Payment of MIS should be credited into the farmer's Bank A/c in which FFB Market disposal price being paid regularly.
- The Nodal procuring Agency should see that the MIS is directly paid and credited to the farmer's A/c and not through any middlemen. The MIS disbursement should not be done through cash or cheque.
- The Nodal Agency should be cautious that the MIS amount for FFB being paid to the farmer should be tallied with the respective quantity of FFB procured during the period for which the MIS was sanctioned.
- In case of any land/garden legal right holding transfers have been happened, the MIS should be paid to the farmer actually supplied the FFB during the period for which MIS sanctioned.
- In case of any expiry of farmer supplied FFB during the period MIS sanctioned, the MIS should be paid to the legal right holder of his family in due consultation with concerned Assistant Director of Horticulture.
- Under any circumstances the Procuring agencies should not retain or adjust against any dues of the farmers from the payment of MIS funds.
- The Nodal procuring Agency should complete the MIS disbursement to the farmers within 15 days from the payment received.
- The Nodal Agency should submit the report of reconciliation with FFB audited accounts submitted to Government of India within 15 days of completion of MIS disbursement and furnish utilization certificate for the MIS funds released.
- The Assistant Director of Horticulture should monitor the disbursement of MIS in their jurisdiction by the Nodal procuring Agency and report the progress of MIS implementation to the Oil Palm Commissioner.
- The nodal agency/procuring agencies are responsible to fulfill the terms and conditions of MIS payment issued by the State and Government of India.
- The Nodal Agency i.e., AP OILFED is responsible for payment of MIS to the Farmers. It should also ensure that the stock procured under MIS should not be off listed/repeated in the lists of farmers to which the MIS is being paid.

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- Any violation of MIS disbursement guidelines by any agency amounts to legal liability.
- The State Agency AP OILFED should give wide publicity to the MIS scheme to create awareness among the Oil Palm Growers.
- The AP OILFED should furnish weekly progress reports indicating the progress of MIS disbursement.

4. The Commissioner of Horticulture, Hyderabad shall take further necessary action in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**Dr. C V S K SARMA
APC & PRINCIPAL SECRETARY TO GOVERNMENT**

To
The Commissioner of Horticulture, Hyderabad.
The Managing Director, AP OILFED, Hyderabad.

Copy to:

P.S. to Additional Secretary to Chief Minister.
P.S. to Hon'ble Minister (Horticulture).
P.S. to Hon'ble Minister (Agriculture).
P.S. to APC & Principal Secretary to Government
Finance (EAC) Department.

//FORWARDED : : BY ORDER//

SECTION OFFICER